

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(81) 111 final

Brussels, 17 March 1981

Proposal for a COUNCIL REGULATION (EEC)

laying down the conditions on which Greece may maintain on a transitional basis certain national aid measures falling within the scope of the socio-structural Directives

(presented by the Commission to the Council)

COM(81) 111 final

EXPLANATORY MEMORANDUM

Subject: Draft Council Regulation laying down the conditions on which the Hellenic Republic may maintain on a transitional basis certain national aid measures falling within the scope of the socio-structural Directives.

1. In accordance with Article 114 of the Act of Accession and Annex IV to the Act the Hellenic Republic shall, by 31 December 1983 at the latest, implement the measures necessary to comply with the provisions of the socio-structural Directives.

In accordance with the political agreement of the Conference, the national aid measures to be assessed with reference to the scope of the Directives, must be adapted to the conditions laid down by these Directives or even discontinued by the time of the Directives are implemented.

2. Having regard to Article 69 of the Act of Accession whereby the Hellenic Republic is authorized to maintain the national aid measures - including those within the scope of the socio-structural Directives - until 31 December 1985, the Hellenic Republic is requesting certain derogations from the abovementioned political agreement in respect of socio-structural aid measures.
3. As the derogations requested are of little importance in achieving the aims of the common policy for agricultural structure but much importance is attached politically in the Hellenic Republic to maintaining these minor aid measures, it is proposed to allow the following derogations:

a) Directive 75/268/EEC

The Hellenic Republic will be authorised to maintain until 31 December 1985:

- aid for barley growing and sheep and goat raising on farms of less than 3 ha of UAA,
- aid for small farmers growing common wheat.

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As regards applying these measures in the areas - very limited - which do not fall within Directive 75/268/EEC, the rate of reduction applicable to certain other aids falling under Articles 92-94 of the Treaty applies.

b) Directive 72/159/EEC

The Hellenic Republic will be authorised to maintain until 31 December 1985 aid for the restocking of vineyards within the framework of a quality wine p.s.r. programme.

4. Further, under Article 69 paragraph 2 of the Act of Accession, the draft regulation establishes the list of aid measures which may be maintained until the socio-structural Directives are implemented.

PROPOSAL FOR
COUNCIL REGULATION (EEC)

laying down the conditions on which Greece may maintain on a transitional basis certain national aid measures falling within the scope of the socio-structural Directives

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to the Act of Accession of Greece, and in particular Article 69 thereof,

Having regard to the proposal from the Commission,

Whereas, in accordance with the Joint Declaration on the procedure for the joint examination of national aids granted by Greece in the field of agriculture during the period prior to accession, annexed to the Treaty of Accession, the list of national aid measures which are to be assessed with reference to the scope of the socio-structural Directives referred to in Annex IV to the Act of Accession and which Greece is authorized to maintain on a transitional basis is to be as agreed within the Conference;

Whereas, however, that list should be updated in order to take account of corrections, of the abolition of certain aid measures, of changes in the way certain types of aid are granted and of any adjustment to the amount thereof which may have occurred in the meantime;

Whereas, under Article 114 of the Act of Accession and Annex IV thereto, Greece must implement the measures necessary to comply not later than 31 December 1983 with the socio-structural Directives mentioned in Annex IV; whereas this necessitates the abolition or adaptation of certain national aid measures which fall within the scope of these Directives and which Greece is authorized to maintain by Article 69 of the Act of Accession, subject to the terms of the latter;

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Whereas, if the aid currently granted by Greece in certain regions to producers of common wheat and barley and to certain sheep and goat farmers were abolished, the incomes of the farmers concerned might be sharply reduced, and whereas Greece should, consequently, be authorized to maintain some aid measures beyond the date of implementation of Directive 75/268/EEC and to lay down the conditions relating thereto;

Whereas, if the amount of the aid currently granted by Greece for the restocking of vineyards under a quality wine p.s.r. programme was adapted to the terms of Directive 72/159/EEC, the objectives of the programme might be jeopardized, and whereas Greece should, consequently be authorized to maintain these amounts beyond the date of implementation of Directive 72/159/EEC;

HAS ADOPTED THIS REGULATION:

Article 1

1. With effect from 1 January 1981 the national aid measures which are to be assessed with reference to the scope of the socio-structural Directives mentioned in Annex IV to the Act of Accession and which Greece is authorized to maintain on a transitional basis shall be as laid down in the Annex.
2. The national aid measures referred to in paragraph 1 may be maintained, at the amounts specified in the Annex, until 31 December 1983. Should Greece implement the Directives referred to in the first paragraph before 31 December 1983, the national aid measures must be adapted to meet the conditions laid down by those Directives or discontinued by the time the Directives are implemented.
3. By way of derogation from paragraph 2, aids I, II, V (b) and XII may be maintained at the amounts and subject to the conditions laid down in the Annex until 31 December 1985.

Article 2

This Regulation shall enter into force on the third day following its publication in the Official Journal of the European Communities.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

For the Council,

Designation of the aid	Maximum amount of the aid in 1980*	Rate of abolition or adaptation
I. <u>COMMON WHEAT</u> Aid to farmers in mountain regions	200 drs/stremma	<ul style="list-style-type: none"> - in areas covered by Directive 75/268/EEC, to be maintained until 31 December 1985 - in other areas, to be maintained until 31 December 1985, subject to being reduced at the rate stipulated in No I.1. of the Annex to the Council Regulation of listing certain national measures of aid for agriculture which the Hellenic Republic is authorized to maintain on a transitional basis.
II. <u>BARLEY</u> Aid to farmers in mountain and island regions	200 drs/stremma	<p>To be maintained until 31 December 1985</p> <ul style="list-style-type: none"> - in the areas specified in Article 3(3) of Directive 75/268/EEC, for farmers with less than 3 ha of UAA, - in other areas, subject to being reduced at the rate laid down in No I.1. of the Annex to the Council Regulation of listing certain national measures of aid for agriculture which the Hellenic Republic is authorized to maintain on a transitional basis.
III. <u>MAIZE</u> Aid for the purchase of drying and ensiling equipment (cash subsidy) <ul style="list-style-type: none"> (a) to individual producers (b) to producer groups and organizations 	20% of the purchase rate 40% of the purchase rate	Article 1(2) Article 1(2)

Designation of the aid	Maximum amount of the aid in 1980*	Rate of abolition or adaptation
IV.. <u>FRUIT AND VEGETABLES</u>		
1. Aid for the construction of glasshouses (cash subsidy)	20% of expenditure	Article 1(2)
2. Aid for the construction of frames (drs/str) ¹	20% of expenditure	Article 1(2)
3. Aid for the purchase of automatic irrigation systems	20% of expenditure	Article 1(2)
V. <u>WINE</u>		
1. Quality wine p.s.r. programme		
Aid (cash subsidy) for producers, in respect of:		
(a) new plantings	50% of expenditure, up to 2 300 - 4 550 drs/stremma, according to region	Article 1(2)
(b) restocking of vineyards	3 380 - 5 850 drs/stremma	To be maintained until 31 December 1985
(c) tying up of vines	2 600 drs/stremma, according to region	Article 1(2)
(d) purchase of machinery	20 - 30%	Article 1(2)

¹ For the production of strawberries and melons only

7

Designation of the aid	Maximum amount of the aid in 1980*	Rate of abolition or adaptation
VI. <u>FLORICULTURE</u> 1. Aid for the construction of glasshouses and multiplication facilities (cash subsidy) (a) glasshouses (b) multiplication facilities producing root cuttings	20% of expenditure 20% of expenditure	Article 1(2) Article 1(2)
VII. <u>AROMATIC AND PHARMACEUTICAL PLANTS</u> 1. Aid for equipment to treat aromatic and pharmaceutical plants (cash subsidy) 2. Cultivation machinery (cash subsidy) 3. Appropriate buildings (cash subsidy) 4. Aid per stremma for the introduction of aromatic and pharmaceutical crops	40% of the purchase rate 20% of the purchase rate 20% of expenditure 2 000 - 3 500 drs/stremma	Article 1(2) Article 1(2) Article 1(2) Article 1(2)

Designation of the aid	Maximum amount of the aid in 1980*	Rate of abolition or adaptation
VIII. <u>SILKWORMS</u>		
1. Aid for the establishment of new plantations of mulberry trees (cash subsidy)	Up to 6 000 drs/stremma	Article 1(2)
2. Aid for the construction of sericultural installaties (cash subsidy)		
- for individual silkworm farmers	40% of construction costs	Article 1(2)
- for groups of silkworm farmers	40% of construction costs	Article 1(2)
IX. <u>CATTLE</u>		
1. Aid for the establishment, extension or improvement of family-run cattle farms (buildings, equipment, purchase of animals) (cash subsidy)	Up to 40% of expenditure	Article 1(2)
2. Beef and veal: aid for the purchase of breeding cows of improved breeds	Up to 40% of expenditure	Article 1(2)
X. <u>DRILLING</u>		
1. Aid for drilling work on farms, for the purpose of irrigation (cash subsidy)	Approximately 16% of expenditure	Article 1(2)

Designation of the aid	Maximum amount of the aid in 1980*	Rate of abolition or adaptation
<p>XI. <u>LOW-INTEREST LOANS</u></p> <p>1. Medium- and long-term loans at reduced rates of interest, to promote certain types of agricultural production.</p>	<p>2 to 3% reduction in the interest rate</p>	<p>Article 1(2)</p>
<p>XII. <u>SHEEP AND GOATS</u></p> <p>1. Aid for the establishment, expansion or improvement of sheep and goat enterprises (buildings, equipment and purchase of domestic sheep and goats)</p> <p>2. Aid for sheep farmers in mountain regions and the islands with flocks of more than 30 head</p>	<p>40% of expenditure</p> <p>120 drs per head</p>	<p>Article 1(2)</p> <p>To be maintained until 31 December 1985</p> <ul style="list-style-type: none"> - in the areas specified in Article 3 of Directive 75/268/EEC, for farmers with less than 3 ha of UAA, - in other zones, subject to being reduced at the rate laid down in No I.1. of the Annex to the Council Regulation of Listing certain national measures of aid for agriculture which the Hellenic Republic is authorized to maintain on a transitional basis.

* Aids numbered III, IV, V, VI, VII, VIII, IX, X, XI/1 are increased by 25% for the Nomos areas Evrou, Rodopis, Xanthis, Dodecanison, Samou, Lesvou et Chiou as well as the Nomos regions Thesprotias, Ioanninon, Kastorias, Florinis, Pellis, Kilkis, Serron and Dramas located within a zone of 20 km from the frontiers.